

In the Claims:

Please amend the claims as follows:

- 1 19. (Amended) The method as defined in Claim 10, further comprising
2 encrypting by the camera of at least a first image captured by said camera
3 to prevent the user from having prints of at least the first image from a
4 source not associated with a provider of said camera.
-

5

REMARKS

Examiner Kerr is thanked for the thorough examination of the subject Patent Application. The Claims have been carefully reviewed and amended, and are considered to be in condition for allowance.

- Reconsideration of the rejection under 35 USC §112, second paragraph,
10 of Claim 19 as being indefinite for failing to particularly point out and distinctly claim the subject matter which the applicant regards as the invention is requested in light of the following arguments. Claim 19 is amended to insure proper antecedent basis. Claim 19 is dependent upon Claim 10 and is now written as a step of encrypting an image by the camera to prevent unauthorized
15 printing of the involved in the process.

Reconsideration of the rejection under 35 USC §102(e) of Claims 10, 20, 35-39 as being anticipated by U.S. Patent 5,923,906 (Zander) is requested in

light of the following arguments. Zander provides a camera to a user with a filmstrip having certain characteristics including the film type and number of exposures to be included in the camera. Further Zander describes communicating user photofinishing instructions, which are then stored in the camera for future processing. There is no description of the user of commitment to the purchase of a first amount of image reproductions. In Zander, the camera is loaded with a certain number of exposures. There is no commitment to the development of any or all of the exposures to form the printed images. The camera is provided (sold or rented) in this invention in response to the commitment of the user to a number of image reproductions. In the case of the rental of Claim 35, a portion of the rental fee is applied to the purchase of the printed images.

Reconsideration of the rejection under 35 USC §103(a) of Claims 1-3 and 6-9 as being unpatentable over "Satisfaction Yields Future Gains", Photographic Trade News, July 1994 (PTN) in view of U. S. Patent 6,167,251 (Segal et al.) and further in view of U. S. Patent 5,760,917 (Sheridan) is requested in light of the following arguments.

Briefly, the applicant wishes to point out the major features of the invention, which is a novel method for providing cameras, such as digital cameras or film cameras, to consumers for free or at a discounted cost. In exchange the consumer makes a commitment that a certain number of image reproduction or prints will be purchased by the consumer and/or by others. Thus,

consumers benefit, as their initial financial outlay for a camera is reduced or eliminated. Image reproduction companies that provide prints or other image reproductions also benefit, as they can expect that a certain number of image reproductions will be ordered for each camera provided, thereby ensuring a more
5 predictable cash flow.

In addition an image-locking feature allows images to be selectively "locked" or encrypted before being transferred from the camera. This prevents the consumer from printing full resolution hard copy versions of the images, or having unauthorized print houses make such prints, unless the images are
10 unlocked or decrypted. However, the consumer may be allowed to view the images on a camera display, or thumbnail versions of the images on a terminal or the like. The camera provider or related entity holds the key used to unlock the images. The consumer uploads the encrypted images to a server associated with the camera provider or related entity. The images may be uploaded directly
15 from the camera, or via a terminal networked to the server. The images are then decrypted and the consumer or others may then order copies of the images, ensuring that the camera provider receives income from print orders of images taken with the camera.

One aspect of the present invention enables camera manufacturers to
20 participate in the revenue stream associated with print orders and the like. A camera manufacturer provides a discount or other benefit to a camera distributor, which in turn distributes the cameras to consumers who contract to purchase a

certain amount of prints. In exchange for the discount provided by the camera manufacturer, the camera distributor ensures that a portion of the proceeds resulting from the purchase of prints by consumers is provided to the camera manufacturer.

5 Yet another aspect of the present invention provides prints of images taken with the camera for free or at a reduced cost. In exchange, the consumer agrees to have advertisements, including notices, offers or coupons, accompany the prints. Advertisers thereby also benefit, as they are ensured that there is a great likelihood that their advertisements will be read. The advertisements and
10 coupons may be appropriately selected based on a given consumer's profile, including the consumer's demographic profile, camera usage patterns, and purchase patterns. The profile information may be provided by or collected from the consumer. All or portions of the profile information may be stored in the camera. The advertisements may be, by way of example, tear-offs attached to
15 the print. In addition or alternatively, the advertisements may be printed over the image or in a border area around the image.

 In addition, friends and family members benefit from the present invention, as using a networked terminal, they can view and/or order reproduction of pictures taken by the consumer. Optionally, the consumer may designate who is
20 authorized to view pictures taken by the consumer. The consumer may receive credit, discounts, and/or rebates based on orders for the consumer's pictures by others.

PTN describes the characteristics of new camera owners and suggests that promoting photofinishing services to new camera buyers. PTN suggests programs such as frequent film finishing programs akin to the frequent flier programs employed by the airline industry. There is no teaching to the providing
5 a camera (purchasing, leasing, or renting) with a commitment to purchase image reproduction services. Further, there is no teaching to encrypting of image within the camera and providing a code for "unlocking" or decrypting the image upon fulfillment of the commitment for the purchase of the image reproductions. Still further there is no teaching in PTN for the transfer of the image data from a
10 terminal. PTN does not even suggest the presence of transfer of an image by any technique other than photofinishing of film.

Segal et al. does not discuss the providing of a camera and is entirely restricted to cellular phones. There is no discussion of image reproduction. While encryption of encrypted air pre-paid airtime communication units with
15 unique identifiers, there is no discussion for the encryption of images and the "unlocking" of the encryption upon fulfillment of the commitment for the purchase of image reproductions.

Sheridan does describe the encrypting of digital images and the transfer of high or low resolution versions of the digital images under particular conditions.
20 However, Sheridan does not describe providing a camera providing a camera (purchasing, leasing, or renting) with a commitment to purchase image reproduction services. Further, there is no discussion of the encrypting of the

image within the camera and providing the unlocking of the image upon fulfillment of the commitment of the purchase of the image reproductions.

Reconsideration of the rejection under 35 USC §103(a) of Claims 4-5 as being unpatentable over PTN, Segal et al., and Sheridan further in view of U. S.

5 Patent 6,029,141 (Bezos et al.) is requested in light of the following arguments.

Bezos et al. does describe referral of a customer by an associate of a merchant web site. The associate is awarded a commission for the referral and facilitation of a sale. There is no description for providing a camera (purchasing, leasing, or renting) with a commitment to purchase image reproduction services. Further, in

10 this invention the user of the camera is allowing another person access to use a portion of the user's commitment for image reproduction services.

The invention as claimed in amended Claims 1-9 is believed to be novel and patentable over PTN, Segal et al., Sheridan, and Bezos et al., because there is not sufficient basis for concluding that the combination of claimed elements
15 would have been obvious to one skilled in the art. That is to say, there must be something in the prior art or line of reasoning to suggest that the combination of these various references is desirable. The applicant believes that there is no such basis for the combination. The applicant therefore request Examiner Kerr reconsider the rejection in view of these arguments.

20 Reconsideration of the rejection under 35 USC §103(a) of Claims 12, 29, and 42-44 as being unpatentable over U.S. Patent 5,923,906 (Zander) in view of U. S. Patent 6,369,908 (Frey et al.) is requested in light of the following

arguments. Zander, as described above, provides a camera to a user with a filmstrip having certain characteristics including the film type and number of exposures to be included in the camera. Further Zander describes communicating user photofinishing instructions, which are then stored in the camera for future processing. There is no description of the user of commitment to the purchase of a first amount of image reproductions. In Zander, the camera is loaded with a certain number of exposures. There is no commitment to the development of any or all of the exposures to form the printed images. The camera is provided (sold or rented) in this invention in response to the commitment of the user to a number of image reproductions. Frey et al. provides advertisements on a monitor for the usage of the photo kiosk (col. 4 lines 42-43). There is no teaching of providing advertising to the camera or to the reproduced images. Further, neither Zander nor Frey et al. teach to leasing a camera with the lease being based on a commitment to a certain number of image reproductions. Frey et al. allows the purchase of a fixed number of images, audio, and textual messages at a fixed location there is no teaching to providing cameras for independent usage.

The invention as claimed in Claims 12, 29, and 42-44 is believed to be novel and patentable over Zander and Frey et al. because there is not sufficient basis for concluding that the combination of claimed elements would have been obvious to one skilled in the art. That is to say, there must be something in the prior art or line of reasoning to suggest that the combination of these various references is desirable. The applicant believes that there is no such basis for the

combination. The applicant therefore request Examiner Kerr reconsider the rejection in view of these arguments.

Reconsideration of the rejection under 35 USC §103(a) of Claims 11 and 13-19 as being unpatentable over Zander) in view of U. S. Patent 6,360,362 (Fichtner et al.) is requested in light of the following arguments. Zander, as described above, provides a camera to a user with a filmstrip having certain characteristics including the film type and number of exposures to be included in the camera. Further Zander describes communicating user photofinishing instructions, which are then stored in the camera for future processing. There is no description of the user of commitment to the purchase of a first amount of image reproductions. In Zander, the camera is loaded with a certain number of exposures. There is no commitment to the development of any or all of the exposures to form the printed images. The camera is provided (sold or rented) in this invention in response to the commitment of the user to a number of image reproductions. Fichtner et al. describes a method for updating the "firmware" or programs that are executed within a digital camera. There is no description of the changing of the camera operating instructions based on the user information as recorded in the camera. Fichtner et al. determines that a camera is present and transfers the "firmware" to the camera. Images are transferred from the camera to the host computer. There is no suggestion of providing a camera based on the commitment to the purchase of image reproductions. Further, there is no suggestion in Fichtner et al. for the storage of camera usage information for future processing other than the changes in the general "firmware"

instructions that affect the performance of the storage and compression of the images within the camera.

The invention as claimed in Claims 11 and 13-19 is believed to be novel and patentable over Zander and Fichtner et al. because there is not sufficient
5 basis for concluding that the combination of claimed elements would have been obvious to one skilled in the art. That is to say, there must be something in the prior art or line of reasoning to suggest that the combination of these various references is desirable. The applicant believes that there is no such basis for the combination. The applicant therefore request Examiner Kerr reconsider the
10 rejection in view of these arguments.

Reconsideration of the rejection under 35 USC §103(a) of Claims 21-28 and 30-31 as being unpatentable over U.S. Patent 5,923,906 (Zander) in view of U. S. Patent 5,974,401 (Enomoto et al.) is requested in light of the following arguments. Zander, as described above, provides a camera to a user with a
15 filmstrip having certain characteristics including the film type and number of exposures to be included in the camera. Further Zander describes communicating user photofinishing instructions, which are then stored in the camera for future processing. There is no description of the user of commitment to the purchase of a first amount of image reproductions. In Zander, the camera
20 is loaded with a certain number of exposures. There is no commitment to the development of any or all of the exposures to form the printed images. The camera is provided (sold or rented) in this invention in response to the

commitment of the user to a number of image reproductions. While Enomoto et al. does describe a digital print order system that receives a digital image and a print order from a personal computer. There is no suggestion in Enomoto et al. of a providing a camera based on a commitment to a number of image
5 reproductions. Further, there is no suggestion in Enomoto et al. that camera setting information is transferred with the digital image data or the print order data. Neither Zander nor Enomoto et al. suggest that the camera may be provided by the "print house" providing the image reproductions.

The invention as claimed in Claims 21-28 and 30-31 is believed to be
10 novel and patentable over Zander and Enomoto et al. because there is not sufficient basis for concluding that the combination of claimed elements would have been obvious to one skilled in the art. That is to say, there must be something in the prior art or line of reasoning to suggest that the combination of these various references is desirable. The applicant believes that there is no
15 such basis for the combination. The applicant therefore request Examiner Kerr reconsider the rejection in view of these arguments.

Reconsideration of the rejection under 35 USC §103(a) of Claims 32-34 and 40-41 as being unpatentable over U.S. Patent 5,923,906 (Zander) in view of over "Satisfaction Yields Future Gains", Photographic Trade News, July 1994
20 (PTN) is requested in light of the following arguments. Zander, as described above, provides a camera to a user with a filmstrip having certain characteristics including the film type and number of exposures to be included in the camera.

Further Zander describes communicating user photofinishing instructions, which are then stored in the camera for future processing. There is no description of the user of commitment to the purchase of a first amount of image reproductions. In Zander, the camera is loaded with a certain number of exposures. There is no commitment to the development of any or all of the exposures to form the printed images. Zander further does not describe the source of the camera. The camera of Zander maybe purchased from any manufacturer and provided to an intermediary. The manufacturer has no financial interest in the number image reproductions made by the user of the camera. The camera of this invention is provided (sold or rented) in response to the commitment of the user to a number of image reproductions. PTN suggests programs such as frequent film finishing programs akin to the frequent flier programs employed by the airline industry. There is no teaching to the providing a camera (purchasing, leasing, or renting) with a commitment to purchase image reproduction services.

15 Allowance of all Claims is requested.

It is requested that should Examiner Kerr not find that the Claims are now allowable, that the undersigned be called at (845) 452-5863 to overcome any problems preventing allowance.

Respectfully Submitted,

Billy J Knowles
Billy J. Knowles, Reg. No. 42,752

25 Enclosures:

VERSION WITH MARKINGS TO SHOW CHANGES MADE

In the Claims:

Claims _____ have been amended as follows:

- 1 19. (Amended) The method as defined in Claim 10, wherein the encryption is
- 2 performed further comprising encrypting by the camera ~~on~~ of at least a
- 3 first image captured by the camera to prevent the user from having prints
- 4 of at least the first image from a source not associated with a provider of
- 5 said camera.